



# MORNING MARKET REPORT

Thursday, December 29, 2022

## Market Summary

**\*\*No markets Monday Jan 2 and we will be closed until Tuesday Jan 3\*\***

**Wheat futures are trading lower this morning**, down 12 to 14 cents in the MARCH futures. Lack of fresh supportive news and poor demand being cited as reason for the decline. With reports of escalating missile strikes in Ukraine and the news of insurance providers not covering vessels heading to the Black Sea Region I would argue that there is fresh news but the markets have gotten numb to it, like when your shoulder hurts day after day but you get used to it and the pain seems to fade away until you are loading a lawnmower into the back of a pickup and then you get a sharp reminder. Wheat managed to mount a little bit of a rally on winterkill concerns in the HRW growing region but experience shows that the crop is actually pretty resilient. Russia continues to be the big dog in wheat exports with Egypt's 200k tonne purchase of Russian wheat this week at a price that most of their competition couldn't touch. Russian Ag Ministry expects their wheat crop is 105.7 MMT, compared to USDA's official forecast of 91 MMT. SovEcon raised their private outlook by 300k MT for a 101.2 MMT 22/23 output. Russian production and yield numbers are tricky to quantify due to how the four Ukraine provinces are figured in. It appears they are being harvested by Russian firms and that may be the reason for the difference (or it could just be that you can't trust Russian ag-reporting agencies as per the norm).

**Ship insurers to cancel war risk coverage across Russia, Ukraine and Belarus**, following an exit from the region by reinsurers in the face of steep losses. With the first 12-month contracts expiring on Jan 1, they have an opportunity to scale back their exposure for the first time since the war started. This should make it riskier for ships loading in those ports unless they can find a third-party insurer to cover the risk.

**South American weather** will be watched over the weekend and could provide some direction come tuesday when the 3-day trading weekend is over.

**Cash Futures Prices:** Chicago MARCH is down 13 at 771, KC MARCH is down 14 at 867 and MPLS MARCH is down 13 at 920. US Dollar is trading **0.54 lower** at 103.93.

PORTLAND WHITE WHEAT



PORTLAND HARD RED WINTER 11.5%



PORTLAND HARD RED SPRING 14.0%



PORTLAND CLUB WHEAT



Same Pro Scale as SWW

## CASH GRAIN BIDS: DELIVERED PORTLAND

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
<b>DEC</b>	8.40	8.90	9.88	10.00	260.00
<b>JAN</b>	8.40	8.90	9.88	10.00	260.00
<b>FEB</b>	8.44	8.94	9.88	10.00	260.00
<b>MAR</b>	8.48	8.48	9.88	10.00	260.00
<b>APR</b>	8.52	8.52	9.81	9.92	260.00
<b>MAY</b>	8.56	8.56	9.81	9.92	260.00

## PROTEIN SCALES

HRW: + 5 cents each 1/2% above 11.5% to 13.0%; - 10 cents each 1/2% below 11.5%

DNS: + 2 cents each 1/4% above 14.0% to 15.5%; - 04 cents each 1/4% below 14.0%

SWW: No Discount or Premium from 10.5% pro. New crop Sww:  
Market scale based on 10.5% pro.

**\*\* CLUB WHEAT MAX 10.5% PROTEIN ONLY \*\***

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